

## Message Text

LIMITED OFFICIAL USE

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12

ORIGIN ARA-10

INFO OCT-01 ISO-00 EB-07 FEA-01 COME-00 INT-05 TRSE-00

CIAE-00 INR-07 NSAE-00 RSC-01 L-02 XMB-02 AID-05 /041 R

DRAFTED BY ARA/ECP:RSTERN:MMW

APPROVED BY ARA/ECP:GROLSEN

ARA/CEN - JSULLIVAN (SUBSTANCE)

----- 076186

R 072225Z FEB 75

FM SECSTATE WASHDC

TO AMEMBASSY SAN JOSE

LIMITED OFFICIAL USE STATE 028867

E.O. 11652:N/A

TAGS: EFIN, CS

SUBJECT: VENEZUELA OIL SCHEME

REF: (A) SAN JOSE 0505 (B) STATE 025596 (C) SAN JOSE A-6 OF

1/22/75

1. DEPT APPRECIATES EMBASSY'S PROMPT REVIEW REF B AND  
WILL REVISE REF C ACCORDINGLY.

2. HOWEVER, SOME CONFUSION IN UNDERSTANDING OF OPERATING  
MECHANISM PERSISTS.

3. REF B STATES UNDERSTANDING OF RECOPE THAT REBATED FUNDS  
REST IN VENEZUELA UNTIL GOCR COMES UP WITH SATISFACTORY  
DEVELOPMENT PROJECT. AT THAT POINT GOCR MAY DRAWDOWN FROM  
THE ACCOUNT.

4. DEPT'S COPY OF MODEL AGREEMENT STATES THAT VENEZUELAN  
INVESTMENT FUND WILL MAKE QUARTERLY DEPOSITS IN VENEZUELA'S  
CENTRAL BANK AGAINST THE ISSUANCE OF SIX YEAR CERTIFICATES  
OF DEPOSIT FROM CB OF COSTA RICA. INTEREST RATE TO BE AT  
IDB ORDINARY CAPITAL LEVEL. LATER-SECTIONS OF THE AGREEMENT  
DEAL WITH CONVERSION OF THE SIX YEAR MONEY INTO  
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25 YEAR DEVELOPMENT FUNDS.

5. IF WE INTERPRET THIS CORRECTLY, UPON THE ISSUANCE OF  
CD'S THE FUNDS BECAME GOCR PROPERTY AVAILABLE FOR IMMEDI-  
ATE BOP RELIEF OR OTHER PURPOSES.

6. ACTION REQUESTED: THE EMBASSY IS REQUESTED TO CONSULT  
WITH CB OR FINANCE MINISTRY OFFICIALS TO DETERMINE EXACT  
OPERATING MECHANISM AND, IF POSSIBLE, INTENT OF GOCR AS  
TO USE OF FUNDS. KISSINGER

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NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM, ECONOMIC ASSISTANCE, FINANCIAL AGREEMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 07 FEB 1975  
**Decapton Date:** 01 JAN 1960  
**Decapton Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE028867  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** RSTERN:MMW  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750046-1080  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750261/aaaaccrs.tel  
**Line Count:** 70  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 SAN JOSE 0505, 75 STATE 025596, 75 SAN JOSE A-6  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 08 SEP 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <08 SEP 2003 by ElyME>; APPROVED <13 NOV 2003 by GolinoFR>  
**Review Markings:**

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EO Systematic Review  
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**Review Referrals:** n/a  
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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** VENEZUELA OIL SCHEME  
**TAGS:** EFIN, ENRG, PFOR, EAID, CS, VE  
**To:** SAN JOSE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006